

~~SECRET~~
LBJ LIBRARY

Mandatory Review

Case # NLJ

Document #

27 February 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Discussion with the President at 1:00 o'clock, February 26th;
No one was present

1. Briefly discussed the trip to South Vietnam. President indicated he expected that I would be with the McNamara/Taylor group. He did not specifically ask that I go nor did I ask him whether I should. It seemed a foregone conclusion in his mind that I was going and he was looking forward to an objective and independent judgment of the situation in South Vietnam from me.

2. He expects me to brief Eisenhower in the near future. He had so told Eisenhower. He did not wish me to make a special trip for this purpose but suggested that I meet with Eisenhower as soon as convenient. I explained that if McNamara's trip was timed, as I expected it would be, I could leave on Wednesday, March 4th, see Eisenhower for about one day, proceed commercially by plane to Honolulu and join the McNamara party there. The President thought this was a good plan. Otherwise he thought I should brief Eisenhower at the earliest convenient time.

3. I told the President we had completed an extended coverage of the Soviet Union involving the photographing of Soviet landmass.

This gave me an opportunity to discuss the development. I said that the photography had not been completely studied but the evidences were that the Soviets were slowing up or stopping construction of soft ICBM sites and were emphasizing the construction of hard sites.

1.5(c)
3.4(b)(1)

Khrushchev knew that through satellite photography we were learning the exact location of missile sites. He was not relocating them - what he was doing, he was hardening them, and this was costing them an enormous amount of money. The President expressed great interest in the subject of satellite photography and I asked for an hour's time to go over the program, the pictures and other details. He agreed. I suggested perhaps when he was flying some place I go with him and we could spend an hour or so together on this one subject. This he felt might be a good idea.

APPROVED FOR RELEASE
SEP 1999 0624996

ACTION: Remind me to follow this up and to make arrangements on a Presidential trip in the near future.

1.5(c)
3.4(b)(1)

4. I then [redacted] advised him that Chairman Vinson and Senator Russell felt that their Committees should be fully informed by them and they wished to do this in advance of the announcement and also stated that Mr. Cannon wished me to meet with his Subcommittee prior to the announcement and that George Mahon wished to inform his committee prior to the announcement. I recommended that this be done but it be timed so the Committees would be advised practically concurrently with the announcement so that the press would not get the news before the President announced it. I said that if, for instance, he was to make the announcement Saturday morning (which he did not confirm as the time), then all of the Congressional actions should be taken Saturday morning. Thus the Congressmen would know in advance but not so much in advance that the press would get hold of the story. The President was very much against this. He felt that if the announcement was made on Saturday, we could inform the Committees on Monday. I stated that this would cause the Committee Chairmen and the Committees a great deal of trouble. With this Johnson picked up the phone to call Senator Russell; however the call was not returned and I did not get a final decision.

ACTION: Later I mentioned the question to Bundy and he said that he would have to get to the President and get a decision. Until this decision is forthcoming we should take absolutely no action with respect to the Hill. Bundy and I discussed the problem several times during the day, including a brief discussion at Mrs. J. F. Kennedy's residence when the President was there. However, Bundy did not think it appropriate to discuss it with the President on the particular occasion at Mrs. Kennedy's residence. This should be followed up with Bundy today.

1.5(c)
3.4(b)(1)

5. I then referred to the [redacted]

[redacted] This item refers to the withdrawal of the Soviets from Cuba and the turning over of the SAM sites to them. I said there was a high probability that the SAM sites would be placed in the hands of the Cubans who would have absolute control over them. I said that other evidence convinced us there would be a continuing withdrawal of Soviets from Cuba, but not a total withdrawal; however we could not gauge the exact numbers. I said that this, in my opinion, represented probably the next important crisis that we would face because Castro in his rather amicable but long press conference had raised the question of our penetrating illegally Cuban air space. I therefore recommended that this subject be discussed with Secretaries of State and Defense; that they be ordered to prepare contingency plans for such a situation, otherwise we would be confronted with an emergency,

~~SECRET~~

all the lights in town would be on, and our course of action would have to evolve under an atmosphere of emergency. I pressed this point hard. The President asked if I had discussed it with McNamara and Rusk and I told him I had, on many occasions, but they seemed wholly preoccupied with the problem at hand and had never come to grips with this particular hypothetical but possible situation. The President gave me no satisfactory answer as to any action he would take. In fact, he seemed more preoccupied with the withdrawal of Soviets and the "numbers remaining" than he did with the issue I was confronting him with.

6. We were then joined by Secretary Rusk, Harriman, Edgar Kaiser and Mr. Calhoun and engaged in a long discussion on Ghana. Kaiser reported on his conversations with Nkrumah and his absolute and positive insistence that Nkrumah stop the anti-American actions in his country or else he, Kaiser, could not proceed with the work. Furthermore, under the climate that Nkrumah had developed Kaiser could not raise a single cent toward additional investments in Ghana. Nkrumah seemed to agree and said he was writing President Johnson.

~~SECRET~~

The President asked Kaiser what he wished to do. Kaiser stated that he had a contract that had not been broken by Ghana despite the exasperating situation and that he intended to fulfill his contract. He reviewed the situation about as follows: Volta Dam will cost about \$200 million of which Ghana is putting up half and the other half is being put up by AID, the World Bank, the British, and the Export-Import Bank in varying amounts and for differing components or parts of the project. The aluminum plant will cost about \$150 million, about \$100 million has been put up by the Export-Import Bank and about \$50 million by the Kaiser-Reynolds Syndicate (Kaiser, 90% - Reynolds, 10%) but all of this is guaranteed by the United States Government. The entire \$350 million in the form of loans, there are no grants made. The power that Kaiser will take, representing half of the power generated at the dam, will pay for the entire project in 30 years. Kaiser stated that he could not forecast the permanence of his position in the project. It was entirely possible that Nkrumah would take it over. This was a risk and represented a very serious problem to him because he was proceeding with manufacturing outlets in Europe to utilize the raw aluminum produced. Despite this risk he was going forward. The President was noncommittal.


1.5(c)(d)
3.4(b)(1)(C)

7. Later Governor Harriman stated he wanted to get together with me to reach a conclusion on our policy concerning the Volta Project. He was in favor of proceeding -- there were many who wished to cut and run. He sensed that I would favor staying with the project. What he was seeking was a partner to support his position.

8.



1.5(c)(d)
3.4(b)(1)(6)



1.5(c)(d)
3.4(b)(1)(6)

JAM/tape